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# Howard Sold Secret Data, FBI Claims

## Information Passed to KGB In Austria, Agency 'Contends

By David Staats

OF THE JOURNAL'S CAPITOL BUREAU

SANTA FE — Former CIA agent Edward L. Howard, who slipped through FBI surveillance and disappeared from Santa Fe last month, is suspected of selling crucial information on U.S. intelligence operations to the KGB.

An FBI affidavit made public Friday in Albuquerque said Howard began dealing with Soviet agents in October 1983. Howard was fired by the CIA in June 1983 and the following month went to work as an economist with the Legislative Finance Committee in New Mexico.

Sen. David Durenberger, R-Minn., chairman of the Senate Intelligence Committee, said Friday the security breach allegedly caused by Howard could be as "serious as anything this country has seen in the past." And Reuters news service quoted unnamed Reagan administration officials as saying an extremely grave national security breach may have occurred.

CBS News on Friday quoted unnamed sources as saying in ~~San Antonio~~ Howard provided to the Soviets led to the presumed execution of a high-ranking Soviet official who was providing ~~information~~ to the United States. ~~Several~~ other Soviet informants have not been heard from and their safety is unknown, CBS said. The network did not name the Soviet official nor reveal the time

or place of the alleged execution.

According to Washington news reports, Howard was named as a double agent by Vitaly Yurchenko, the No. 5 man in the KGB who defected to the United States two months ago in Rome. Yurchenko's information apparently led to an FBI investigation of Howard, who had been questioned by agents and was under surveillance when he fled — shortly before the FBI filed espionage charges against him.

He left behind a resignation letter instructing that his paycheck and retirement benefits go to his wife, Mary, and a note to her indicating he would never see her or their 2-year-old son again.

The FBI affidavit revealed the first details of Howard's alleged espionage activities, including the sale of classified information during a clandestine meeting with KGB agents in Austria.

The affidavit, filed with an amended criminal complaint in U.S. District Court, said that, in the fall of 1984, a "former CIA employee was paid money in exchange for classified information relating to U.S. intelligence sources and methods."

The affidavit said the FBI learned of the exchange recently from a confidential informant "with intimate knowledge of Soviet intelligence matters."

Howard was in St. Anton, Aus-

tria, on Sept. 20, 1984, according to the affidavit by Martin R. Schwarz, an FBI special agent.

The affidavit also said Howard spent several hours near the Soviet Embassy in Washington in October 1983, trying to decide whether to enter the embassy and offer classified information. Saying he decided not to enter, he described the experience to two CIA employees — friends of his according to one report — on Sept. 24, 1984.

Howard was employed by the CIA's clandestine service from January 1981 through June 1983. He held a security clearance and had access to highly classified information on U.S. intelligence matters, the affidavit said.

Legislative Finance Committee records show Howard was on vacation during September 1984 and was in the Washington area in October 1983 on state business to attend a revenue forecasting conference, LFC Director Phil Baca said Friday.

Former LFC Director Curtis Porter, who hired Howard, said Howard told him he went to Milan, Italy, in the fall of 1984 to attend, at his own expense, a conference sponsored by Data Resources Inc., which supplies the LFC with economic forecasting data.

The Soviets paid for the trip to Europe, the FBI affidavit said its informant said.

Another, corroborating source quoted by the FBI said Howard told of his Austria visit this past July.

In an exhibit accompanying the affidavit, the FBI also said How-

ard traveled to South Padre Island, Texas, in July as part of an espionage conspiracy. The allegation is otherwise unexplained.

The amended criminal complaint updates an espionage conspiracy charge filed Sept. 23, said U.S. Attorney William Lutz. He declined to say why the complaint was amended.

Lutz said the complaint, along with another affidavit, the contents of which were disclosed Thursday, was unsealed by a federal judge in Albuquerque "by reason of the FBI's press release," which disclosed Wednesday that Howard is an ex-CIA agent who is wanted on the espionage charge.

Other documents in the Howard case are sealed, according to U.S. District Court clerk Jesse Casasa.

The latest affidavit also said Howard left a note in Baca's custody that said, in part: "Well, I'm going and maybe I'll give them what they think I already gave them."

Baca said the note apparently is the same one referred to in the affidavit disclosed Thursday. That affidavit quoted Howard as writing to his wife: "Sell the house, Jeep, etc., and move with one of our parents and be happy."

He also asked her to tell their son that "I think of him and you each day until I die."

Baca said he found an envelope with the note inside, along with Howard's letter of resignation, office keys and telephone credit card, on his desk the night of Sunday, Sept. 22. Baca said he did not read the note, but turned it over to Mary Howard the next day and told the FBI about it. The FBI affidavits say Baca gave the note to agents.

The complaint said Howard, between Feb. 15, 1984, and Oct. 1, 1985, "did unlawfully, knowingly and willfully conspire and agree with other persons to communicate, deliver, and transmit to a foreign government, that is the Union of Soviet Socialist Republics ... information relating to the

national defense of the United States ..."

Howard intended for the information to be used to harm the United States and help the U.S.S.R., the complaint said.

The complaint was signed Wednesday by U.S. Magistrate Sumner Buell.

Lutz said the complaint must legally be followed by an indictment, but he would not say whether a grand jury already has considered the Howard case. The general practice is to wait until a suspect is in custody before he is indicted, Lutz said.

Lutz and an FBI spokesman in Washington declined Friday to discuss the whereabouts of one of two vehicles the state Transportation Department says are registered in the Howards' names. Mrs. Howard had the couple's 1984 Jeep at the residence in the Eldorado subdivision southeast of Santa Fe this week, but a 1979 Oldsmobile was not visible.

National press reports based on Washington sources indicated that personal problems rather than doubts about his loyalty led to Howard's dismissal from the CIA in June 1983. However, two sources told The Associated Press Howard failed a routine CIA lie-detector test on questions about petty thefts of money and use of unlawful drugs.

Howard also had a volatile temper, particularly when he was drinking. About eight months after he began psychological counseling as part of a plea bargain in a gun-brandishing incident in Santa Fe, he sustained a suspicious injury during a trip to Boston.

Howard and his supervisor at the time, Porter, had traveled to a National Association of Tax Administrators conference held in Boston on Oct. 28 to 31, 1984.

Porter recounted for The Washington Post that Howard had disappeared for a few hours during the conference and then re-

turned with stitches for a cut on his head. Howard said he had been treated at a hospital after running into a door. Later that night at cocktails, Porter said, Howard began to slur his words and then got angry with something said by another New Mexico economist, David Abbey, and abruptly left the gathering.

Receipts attached to his expense voucher for the trip show Howard rode from the Westin Hotel to Boston City Hospital and from the hospital back to the Marriott Copley Hotel, where he stayed.

Howard also billed the state for a side-trip from Boston to Washington, D.C., after the conference. He flew to Washington on Oct. 31 to wrap up some contract details with Charles deSeve, an economic consultant who was doing an audit of the Public Employees Retirement Fund, Porter said.

Reached in Washington Thursday, deSeve said he met with Howard "for a few hours" on Nov. 1. DeSeve said that Howard requested the meeting because "he was going to come to Washington on another business trip. He said while he was here he'd tie up the contract. But it certainly could have been done by mail."

Howard billed the state for a \$74 flight from Boston to Washington, plus cab fares in Washington and a room at a hotel called The Guest Quarters in Alexandria, Va., and returned to Albuquerque on the evening of Nov. 1, according to his expense voucher.

With Journal Staff Writer Leah Beth Ward